

What Is Claimed Is:

1 1. An automated securities trading system comprising:
2 means for formulating decision models for securities;
3 means for monitoring real-time market data;
4 means for automatically generating a transaction order in
5 response to said data and said decision models; and
6 means for transmitting the transaction order to a market
7 computer.

1 2. An automated securities trading system as recited in
2 claim 1 wherein said decision model comprises:
3 a plurality of levels linked to others of said plurality of levels by
4 Boolean-type logic operators;
5 said levels containing a plurality of components;
6 said components comprising market data or functions of market
7 data;
8 and, decision points for said components.

1 3. An automated securities trading system as recited in
2 claim 1 wherein said means for transmitting an order comprises means for
3 placing a buy order, a sell order, a sell short order and a buy to cover order.

1 4. An automated securities trading system as recited in
2 claim 1 further comprising means for receiving market data and storing said
3 market data in a database to be used in the component portion of a decision
4 model.

1 5. An automated securities trading system as recited in
2 claim 1 further comprising means for receiving and storing historical data.

1 6. An automated securities trading system as recited in
2 claim 1 further comprising means for initiating a floating stop loss process.

000000-12900500

1 7. An automated securities trading system as recited in
2 claim 1 further comprising means for recording the transaction upon execution
3 of the transaction.

1 8. An automated securities trading system as recited in
2 claim 1 further comprising means for monitoring the status of a transaction
3 order prior to execution of the transaction order.

1 9. An automated securities trading system as recited in
2 claim 1 wherein said means for automatically generating a transaction order
3 comprises:

4 means for generating a transaction order selected from a group
5 consisting of a market order, bid, ask, preference, SOES order, and limit order;

6 means for determining which transaction order of said group to
7 submit to the market by considering the group consisting of factors from price
8 momentum, price advantage, availability of shares and activities of market
9 makers;

10 means for submitting the order to an Internet brokerage; and,
11 means for submitting the order directly to the market and to
12 electronic communication networks.

1 10. An automated securities trading system comprising:
2 a network;
3 a market computer coupled to said network;
4 a market information computer coupled to said network; and
5 a computer for formulating a decision model for the security;
6 monitoring real-time market data, in response to market data for the security
7 and the decision model, automatically generating a transaction order, and
8 transmitting the transaction order to a market computer.

1 11. An automated securities trading system as recited in
2 claim 10 wherein said network comprises the Internet.

1 19. A method for trading a security comprising the steps of:
2 formulating a decision model for the security having a
3 component portion;
4 monitoring real-time market data;
5 in response to market data for the security and said decision
6 model, automatically generating a transaction order; and
7 transmitting the transaction order to a market computer.

1 20. A method as recited in claim 19 further comprising the
2 steps of recording the transaction upon execution of the transaction.

1 21. A method as recited in claim 19 wherein said transaction
2 order is selected from the group consisting of a buy order, a sell order, a sell
3 short order, and a buy to cover order.

1 22. A method as recited in claim 19 wherein the step of
2 formulating a decision model comprises the step of weighting data used in the
3 component portion of the decision models.

1 23. A method as recited in claim 22 wherein said step of
2 weighting comprises the step of assigning a function of market data to allow
3 combining a weighted data component with one or more other weighted data
4 components.

1 24. A method as recited in claim 19 wherein the step of
2 formulating a decision model comprises the step of establishing an intersection
3 or interaction of data to be used in the component portion of the decision model,
4 said intersection or interaction accomplished by assigning a function of market
5 data to a component so that it can be measured against another component.

1 25. A method as recited in claim 19 wherein the step of
2 formulating a decision model comprises the step of establishing a component to
3 produce a singular value, said singular value being a function of security or
4 market data.

1 31. A method as recited in claim 30 further comprising the
2 steps of, c17
3 monitoring the transaction order until the order is filled;
4 monitoring the market data; and
5 canceling the transaction order if the market data indicates a
6 trade is undesirable.

1 32. A method as recited in claim 30 further comprising the
2 step of establishing a floating stop loss level.

1 33. A method as recited in claim 32 wherein said floating
2 ~~stop level comprises a dynamic stop loss.~~

1 34. An automated securities trading system coupled to a
2 market computer and a data source computer comprising:
3 an Internet trading computer coupled to the market computer and
4 the data source computer; and
5 a user terminal coupled to said Internet trading computer;
6 said Internet trading computer programmed to store decision
7 models input through said user terminals, said Internet trading computer
8 monitoring real-time market data and in response to said market data,
9 automatically generating a transaction order and transmitting said transaction
10 order to said market computer.